



California Energy Commission

Joint Committees Draft 2007 Strategic Transmission Investment Plan

**Prepared in Support of the 2007 Integrated Energy
Policy Report Proceeding
(06- IEP-1F)**

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Topics Covered

- Summary of Key Findings and Recommendations
 - Chapter 1: New Developments Since 2005
 - Chapter 2: Removing Renewable Transmission Barriers
 - Chapter 3: In-state Transmission Corridor Planning
 - Chapter 4: In-state Transmission Projects
 - Chapter 5: Western Regional Transmission Issues
- Next Steps



Key Recommendations Relating to Recent Policy Drivers

- Continue staff participation in EPAAct-05 Section 1221 (NIETC) effort.
- CAISO should implement its integrated transmission planning process in a timely fashion.
- CEC staff participation in CAISO subregional planning process.
- Monitor implementation of FERC Order 890 and continue staff participation in WECC's TEPPC.



Key Recommendations Relating to Removing Renewable Transmission Barriers

- Establish a more cohesive statewide approach for renewable development.
- Active staff participation in California Renewable Energy Transmission Initiative
 - <http://www.energy.ca.gov/creti/index.html>
 - As appropriate, vet and integrate CRETI results into the next Strategic Plan.
- CEC, CPUC, and CAISO should include stakeholders early and often.



Key Recommendations Relating to Removing Renewable Transmission Barriers

- CAISO Remote Resource Interconnection Policy should consider the benefits of renewable feed-in tariffs.
- CAISO should prioritize the interconnection queue based on project viability.
- CAISO should continue to approve new renewable interconnections before completion of network upgrades.
- CAISO should continue to investigate a clustered interconnection study approach for the Tehachapi project for use in other areas.



Key Recommendations Relating to Removing Renewable Transmission Barriers

- CAISO should coordinate and synchronize interconnection studies within its transmission planning process to the extent feasible.
- CPUC should continue to coordinate its generation procurement and transmission CPCN processes.
- Continue PIER funding of CERTS work on transmission system integration barriers and the PACT model.



Key Recommendations Relating to In-state Transmission Corridor Planning

- Support legislation that would allow IOUs to keep transmission corridor investments in their ratebase for as long as the CEC designates the corridor.
- When evaluating future transmission projects within a designated corridor, the CPUC and other permitting agencies should accept the need and environmental findings resulting from the CEC's transmission corridor designations.



Key Recommendations Relating to In-state Transmission Corridor Planning

- Encourage SB 1059 applications for three categories of corridors on non-federal lands:
 - Corridors that would provide access to renewable resource areas
 - Corridors that would interconnect with existing or proposed federal EPC Act section 368 corridors
 - Existing corridors that may be required for future facility upgrades
- CAISO should consider designated corridors in its transmission planning process.



Key Recommendations Relating to In-state Transmission Corridor Planning

- Seek agreement among interested parties with similar transmission needs during development of Strategic Plan and before accepting a corridor designation application.
- Explore options for earlier consideration of non-wires alternatives in statewide planning processes.



In-state Transmission Projects

- Criteria for inclusion
 - On line by 2017
 - Requires permitting
 - Provides statewide benefits
- Data Sources
 - CAISO and utility transmission plans
 - Presentations and comments at IEPR workshops
 - Forms and Instructions data responses



In-state Transmission Projects

- Resulting Categories
 - 2005 Recommended Projects – no change
 - 2007 Recommended Projects of Statewide Significance
 - 2007 Supported Projects of Local Significance
 - Projects Deferred to the 2009 Strategic Plan



Recommended Transmission Projects

2005 Recommended Projects

- Tehachapi Phase 1
- Palo Verde-Devers No. 2
- Trans Bay Cable
- Sunrise Powerlink
- Imperial Valley Upgrades

2007 Recommended Projects of Statewide Significance

- PG&E Central CA Clean Energy Transmission Project (CCCETP)
- Lake Elsinore Advanced Pumped Storage (LEAPS) Project [TL portion only]
- Green Path Coordinated Projects
- LADWP Tehachapi Transmission Project
- SCE Tehachapi Expansion



2007 Recommended Projects of Statewide Significance

- PG&E and CAISO should convene a study group to develop need analysis for CCCETP.
 - If needed, PG&E should bring a corridor request to the CEC
- Permitting process for LEAPS should be divided into transmission and generation.
 - Permitting for Tallega/Escondido – Valley/Serrano transmission line should proceed



2007 Recommended Projects of Statewide Significance

- IID should work collaboratively with other project proponents to develop mutually beneficial transmission projects in the Imperial Valley.
- LADWP should coordinate its Tehachapi transmission plans with SCE.
- Sunrise Powerlink, LEAPS transmission, and Green Path are critical for meeting renewable resource and GHG reduction standards.

Note: The Energy Commission is not endorsing specific routes for these projects.



2007 Supported Projects of Local Significance

- 2007 SMUD O'Banion Project
- SCE Magunden-Rector 230 kV
- SCE Devers-Mirage 230 kV
- SCE Alberhill 500/115 kV Substation
- SCE West of Devers upgrades
- SDG&E Orange County 230 kV



Projects Deferred to 2009 Strategic Plan

- SDG&E renewable substation
- PG&E Bay Area 500 kV substation
- Five TANC “Greek Letter” projects [α , β , δ , ϵ , ζ]
- MID Westley-Rosemead 230 kV project
- TID Westley-Marshall 230 kV project



Key Recommendations Relating to Western Regional Transmission Issues

- CEC's public outreach program should include education on benefits of regional transmission expansion.
- Continue and refine PIER research to address cost allocation and cost recovery issues for interstate projects.
- Staff should monitor status of regional projects that can help achieve state policy goals as they move beyond the conceptual stage.



Next Steps

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| September 27 | Written comments due |
| October 24 | Publish Joint Committees
Final <i>2007 Strategic
Transmission Investment Plan</i> |
| November 7 | Business Meeting Adoption |



Public Comments on Draft Strategic Transmission Investment Plan

The conference call information is:

Toll Free Number: 888-857-6618

Passcode: IEPR, Call Leader: Lorraine White